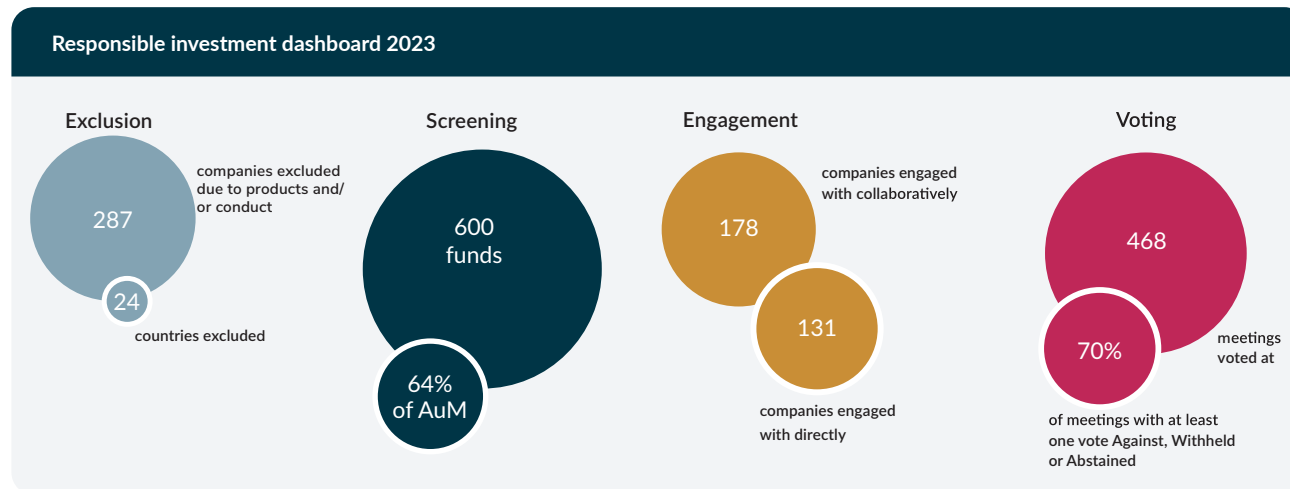


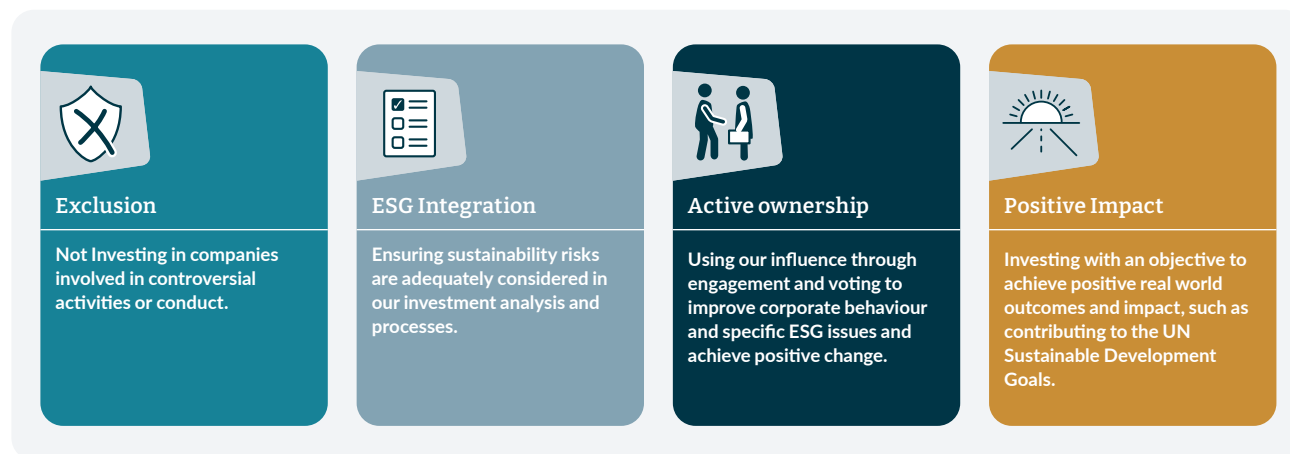
Dashboard 2023

The dashboard below shows our activities in the areas of exclusion, ESG integration and manager screening, and active ownership (voting and engagement) in 2023.



Tools for our sustainable investment efforts

We organise our sustainable investment efforts around four pillars. These tools allow us to take action on and bring forward the transitions.



Source of all data in this report: Van Lanschot Kempen as of 31 December 2023, unless indicated otherwise.

a. Our tools - exclusion

We are active investors and active owners. To drive the sustainability performance of a company, we prefer inclusion over exclusion. However, exclusion is a vital part of our sustainability approach. Our minimum standard is 'to do no significant harm': we do not want to invest in companies and countries involved in activities with severely negative impacts on people and/or the environment. These activities may be product/service-based or related to conduct.

There are 287 companies currently on our exclusion list due to their involvement in controversial weapons, their negative impact on people and/or the environment, or because of tobacco-related activities. We also do not invest in countries involved in particularly severe violations and/or under EU/UN sanctions (24 countries on exclusion list in Q4 2023).

The exclusion list is based on our adherence to international guidelines and standards, and our support for the OECD Guidelines for Multinational Enterprises, the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights, and the Principles for Responsible Investment. These key standards form the foundation of our [convention library](#), which includes 22 conventions, treaties and initiatives.

[Exclusion policy](#)

[Exclusion list Q4 2023](#)



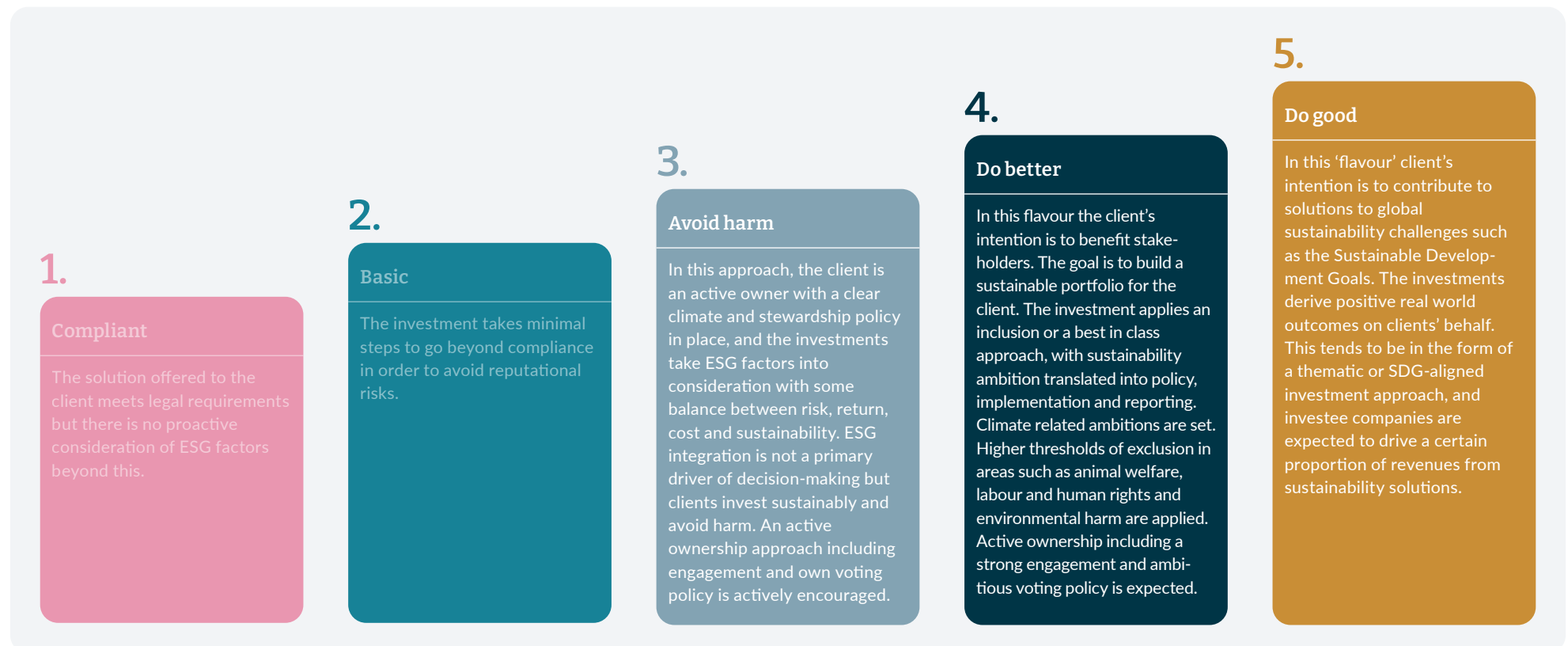
b. Our tools - ESG Integration and Screening

i. Manager scoring

Our Sustainability Spectrum methodology, shown in the figure below, helps determine at what level of sustainability an investment solution stands. In 2023, we applied our proprietary Sustainability Spectrum scoring methodology to over 600 (2022: 385) internally and externally managed funds, representing in total 64% of Van Lanschot Kempen's AuM.

As part of this exercise the manager selection and monitoring team mapped the vast majority of the managers we work with, to define where their products are positioned on the Sustainability Spectrum. The scoring methodology is reviewed and improved every year and subsequently made more ambitious.

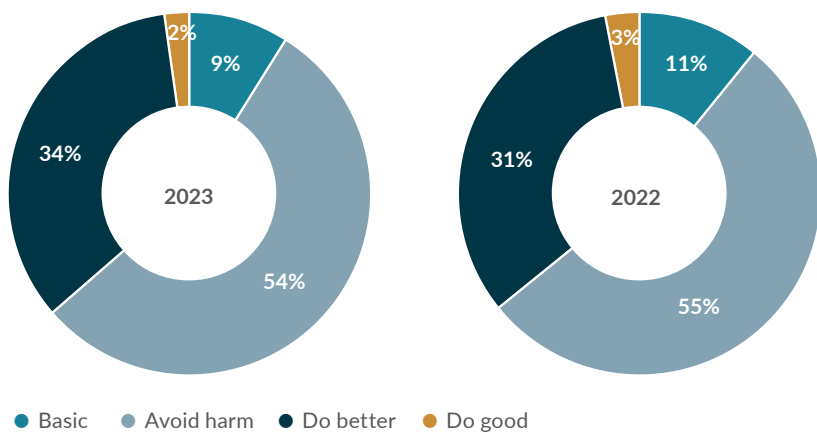
The five flavours of the Sustainability Spectrum



The pie charts below show a breakdown of our Assets under Management in listed asset classes by the five scores on the Sustainability Spectrum. Their sustainability scores range from “Basic” to “Do good”, however, we do not actively offer managers in flavours 1 and 2 actively to our clients. Flavour 1, “Compliant” is therefore absent from the pie charts.

Out of the 600 listed funds that we had scored by the end of 2023, as a percentage of scored AuM, 9% of the funds scored Basic, 54% scored Avoid harm, 34% scored Do better and 2% of the AuM fell under managers scoring Do good on the Sustainability Spectrum.¹¹

Sustainability scores of external managers



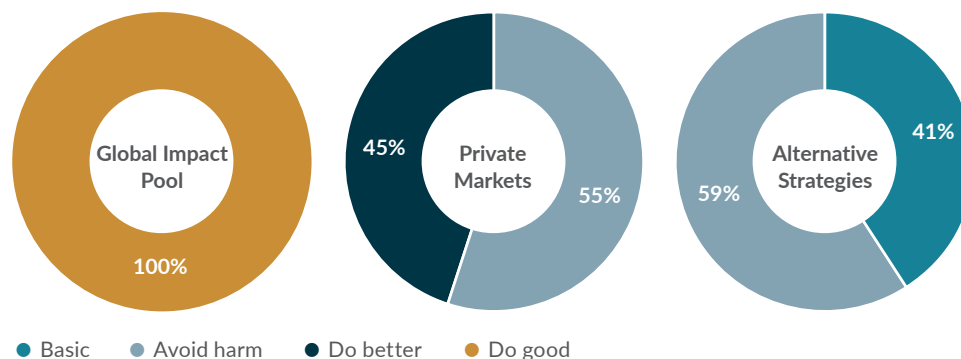
ii. Scoring funds of funds

In 2023, we continued to assess funds in private and listed alternative asset classes (our Kempen Pool solutions). 78 funds of funds have been assessed on sustainability, of which 10 scored “Basic”, 35 scored “Avoid harm”, 20 scored “Do better” and 13 scored “Do good”.

¹¹ Close to 1% could not be scored due to absent data.

As expected, the Kempen Global Impact Pool funds all scored “Do good”, the Kempen private markets funds scored mainly “Avoid harm” and “Do better”. The listed alternative strategies (hedge funds) emerged with scores of “Basic” and “Avoid harm” – an apparent disparity that was not unexpected, as it has historically been more challenging for listed alternatives to apply sustainability in a similar way to the traditional listed funds. See below for more detail on how we engage with external managers.

Sustainability scores of Kempen Pool solutions



iii. Engagement with external managers

Sustainability scoring of external managers leads to engagement in many cases. We either ask further questions aimed at clarification or engage the manager on their sustainability approach across fixed income and equity managers, hedge funds and private equity managers. In 2023, we proactively engaged with 40 managers through our manager selection team, including 17 private markets managers, all 13 managers in the Kempen Global Impact Pool and 10 hedge fund managers.

Our Manager Research Solutions team engages with external managers on compliance with our exclusion list, and on alignment with our sustainability ambitions and those of our clients. Engagement topics include inquiries into the managers’ own engagement and exclusion policies, and the impact management framework they use. We take the time to talk with the external managers, to understand their commitments and their policies around sustainability integration or stewardship, thus working towards the goal of aligning these policies with ours and those of our clients.

c. Our tools - active ownership: engagement

We proactively enter into company dialogues and through our engagements seek to encourage positive change at companies. In 2023, we engaged directly with 131 companies on environmental, social and governance themes. The total number of engagements was 153.¹² Of this total, 110 were engagements for change carried out by our portfolio managers and the sustainable & impact investing team. Over half of these engagements concerned environmental issues, followed by governance, while a smaller number of engagements concerned social issues.

Engagements 2023

	Engagements		
	Awareness	Change	Total
Number of companies (unique)	41	103	131
Number of engagements	43	110	153

The number for companies engaged for awareness and change do not add up to the total number, since we remove duplicates. Some companies are engaged both on awareness and change.

Numbers of engagements 2023 per theme

	Engagements for awareness	Engagements for change
Environmental	27	62
Social	3	9
Governance	13	39
Total	43	110

➤ In collaboration with peers, we engaged with an additional 178 companies.

¹² Companies can be engaged with on several themes at once and on both awareness and change issues, thus allowing for some overlap.

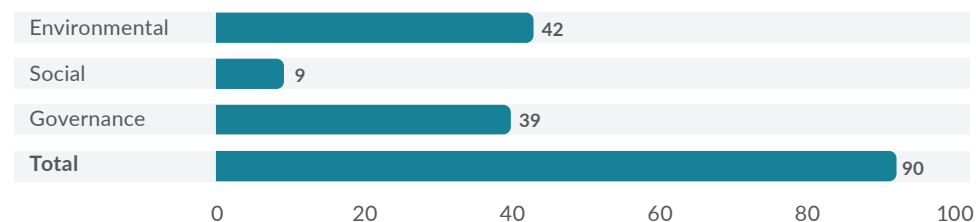
We engage on a broad range of strategic, financial, corporate governance, environmental and social aspects, while differentiating between:

- Engagement for awareness to raise awareness about a certain issue among companies.
- Engagement for change when we have concrete objectives with specific timelines set in advance, specifying what we would like to achieve. Progress is measured via milestones achieved.
- Public policy and collaborative engagements.

90 milestones achieved

We measure the outcomes and results of our engagements with milestones, in a four-stage process. In 2023 we achieved 90 engagement milestones across 110 engagements for change, a significant increase from 2022 (78 milestones across 106 engagements).

Milestones achieved in 2023 in environmental, social and governance engagement



➤ Please see the section 'Investment Management - Strategies' for an explanation of our milestone methodology and detailed information on our engagements and milestones achieved.

Engagement cases

USHIO

E, S, G

Engagement on corporate governance – Milestone 4

In the small-cap investment sphere, we have both the opportunity and the responsibility to engage with our investee companies to ensure long-term results. More than in the mid- and large-cap sphere, our portfolio managers can act as advisers to a company, contributing their best knowledge and helping to improve on ESG aspects for long-term success.

From 2022– 2023 we engaged extensively on the governance aspect of ESG with Ushio, a Japan-based global technology leader in industrial lighting applications. As one of the company's significant shareholders, Van Lanschot Kempen Investment Management aimed for improvement of governance and strategy at the company. Specifically, we asked for an improved return on equity target, a continuous share buyback plan, better reconciliation of capital allocation with strategic priorities and a clear performance-based remuneration policy. In its 2025 mid-term plan, Ushio announced several improvements that exactly matched the objectives of our engagements. As a result, we were able to successfully close our dialogue with the company in 2023.

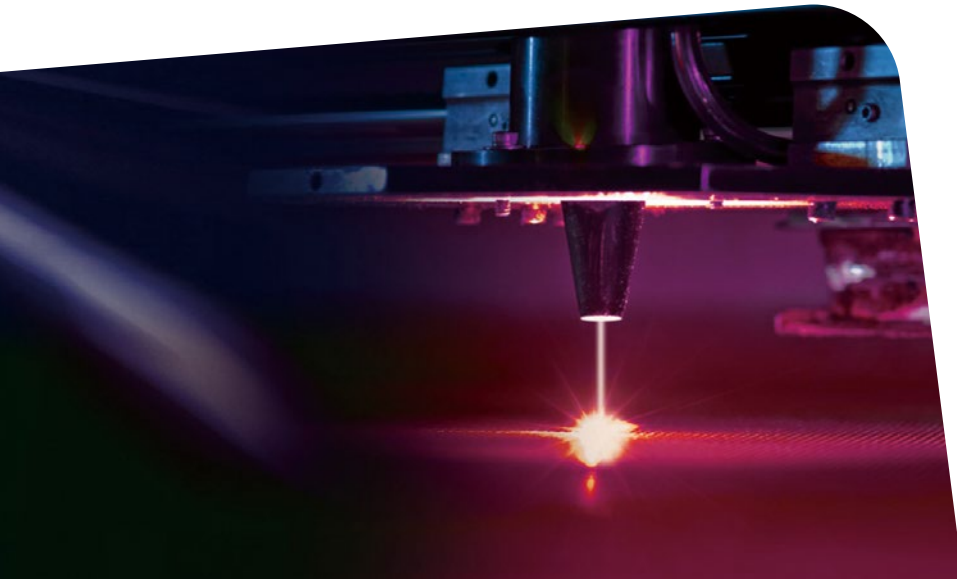


E, S, G

Engagements on several ESG issues – Milestones 3 and 4

Real-world results in the highly polluting real estate sector are achieved when companies accelerate their efforts towards climate neutrality and/or good governance. With this in mind, our [Real Estate team](#) regularly discusses the need to speed up sustainability efforts with their investee companies. In 2023, we had active engagements with 30 companies in the sector. Among these was American Homes, which we asked to report on Scope 1–3 emissions. The company has since greatly improved its reporting, which is now also externally verified. It has also launched a renewable energy programme.

Alongside engagements with numerous companies on climate issues, we also engage on social issues. For example, we asked Sun Communities about employee, tenant and community wellbeing, housing affordability and waste issues. We also engaged with TAG Immobilien (a German residential housing company) on improving capital allocation and strengthening its governance structure. This has had a positive outcome, with the company announcing significant enhancements to its corporate governance, in both its management and supervisory boards. And in capital allocation likewise: TAG has taken measures to preserve capital and improve its balance sheet metrics. All these decisions align with our recommendations.



JABIL

E, S, G

Engagement on Labour rights – Milestone 3

Does Jabil, a US electronic equipment and parts manufacturer, have insight into its suppliers and the working conditions in its production facilities? We engaged the company on this issue in 2023, our aim being to understand the extent to which Jabil has control of its supply chain and to communicate how important it is that it does. Sustainable operations and robust control of supply chains reduce the risks of controversies and reputational damage, and thus also of worsening company results.

Our engagement conversations revealed that Jabil had screened not less than 95% of its production locations by the summer of 2023 and had checked the rest by the end of 2023. We encouraged the company to further increase its ambitions with the Responsible Business Alliance, a collaboration between electronics companies specifically focusing on sustainability in supply chains. One way of doing this is to enhance its supervision of and working conditions at suppliers and plants Jabil works with further. The company has committed to decide on this issue in 2024 and we will be monitoring this closely.



BMW
GROUP



ROLLS-ROYCE
MOTOR CARS LTD

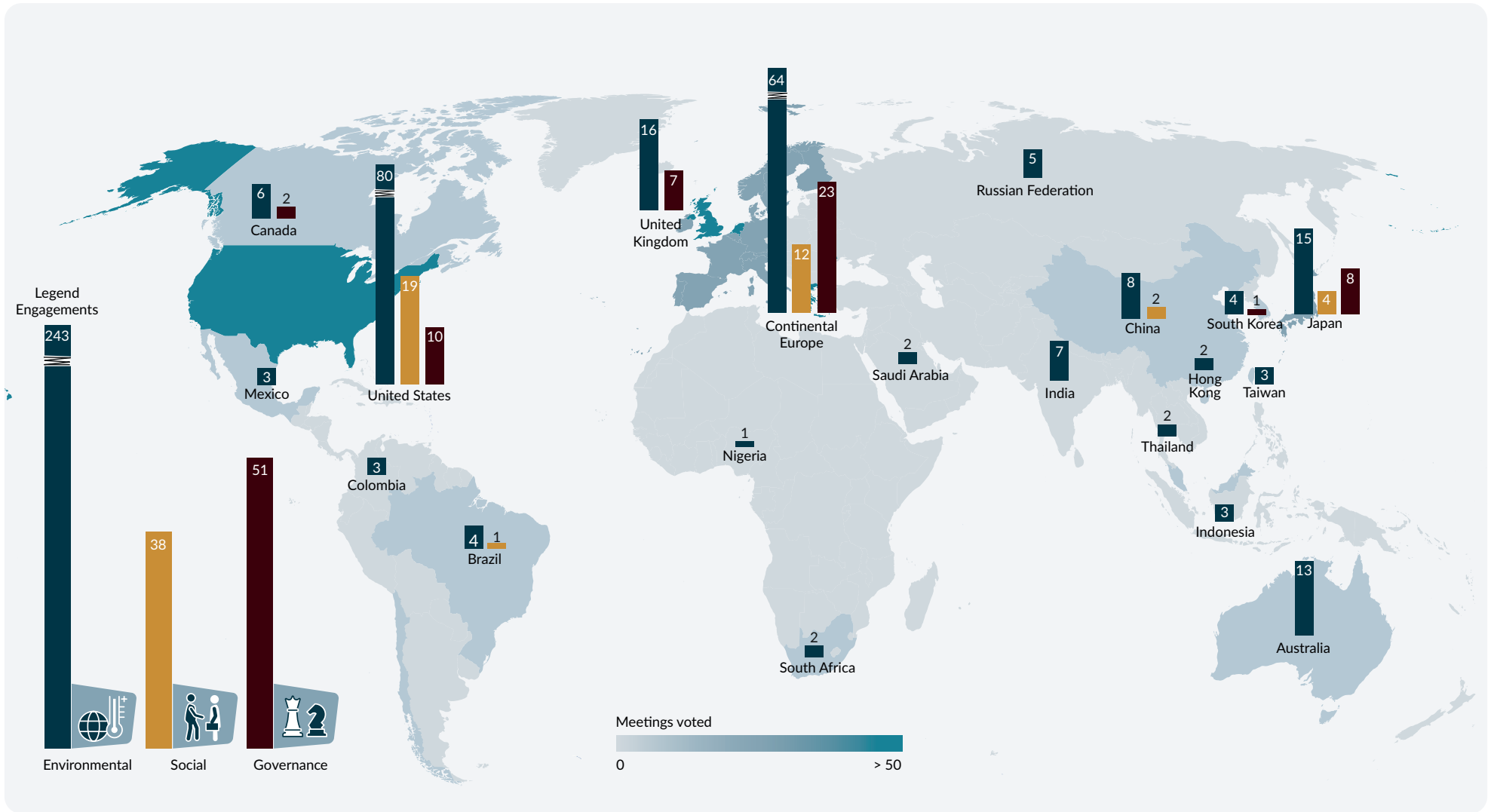
E, S, G

Engagement on a just transition - Milestone 2

BMW Group has been continuing to focus on carbon emissions reduction. The company has made progress in this area by setting long-term targets. As BMW transitions to lower emissions, it's important for it to consider the social impact of these changes. At the beginning of 2023, we began our engagement with BMW, discussing the "just transition" approach. This approach focuses on assessing and addressing the social impact of meeting climate goals, including the effects of the transition on key stakeholders, such as employees, communities and labour conditions in the supply chain.

Now that many companies have established net-zero goals, companies, governments, investors and other organisations are focusing increasingly on the potential social impact of the energy transition. In October 2023, the Climate Action 100+ (CA100+) assessment introduced a just transition indicator, which evaluates companies' commitments, plans, and progress towards a just transition. Currently, BMW Group does not meet the CA100+ just transition criteria, so our engagement will aim to encourage the company to provide more disclosure regarding their commitment to a just transition.

Voting and Engagement Map 2023
 Engagement one-on-one and collaborative



d. Our tools - active ownership: voting

Voting at shareholder meetings of investee companies is a key tool in stewardship and active ownership. In 2023, we voted at 468 company meetings, with 15% of our votes cast against management. We typically vote against management when we have concerns about board nominees due to their age, tenure and lack of diversity, or if we have concerns about executive remuneration. We will sometimes abstain to give management time to resolve an issue, but on the understanding that we will vote against management in future if no changes are implemented. Our criteria can be found in our [full voting policy](#).

➤ Please see 'Investment Management – strategies' on page 34 for more detail on how we voted at shareholder meetings in 2023.

What about animal welfare?

At the annual general meeting of the McDonald's Corporation, we voted for a shareholders proposal asking for additional disclosure on how animal welfare is measured. This would make it easier for shareholders to assess the effectiveness of the company's animal welfare efforts and management of related risks. With 38.6% of the votes, this shareholder's proposal did not pass, but the votes in favour were considerably high and we expect the company to release a statement addressing this issue.

